



State Board of Equalization

News Release

Michelle Steel, Member

3rd District – Rolling Hills Estates

Ramon J. Hirsig
Executive Director
www.boe.ca.gov

**For Immediate Release
May 31, 2007**

**Contact: NR 30-S
Anita Gore
916-327-8988**

MICHELLE STEEL ANNOUNCES VALUES SET FOR UTILITY PROPERTIES

(Rolling Hills Estates) – Michelle Steel, Third District Member of the Board of Equalization, today announced the Board Members voted to establish unitary values of privately owned public utility companies in California at \$71.4 billion. Local governments will collect an estimated \$779.1 million in revenue (including penalties) over the next fiscal year based on these values.

Total values were up \$3.8 billion over those adopted by the Board last year, and will generate approximately \$41 million more in taxes for local governments than in current fiscal year.

Values were set for 420 companies with property in California. They include telephone (long distance, local, and wireless), gas and electric companies, railroads and inter-county pipelines.

While most properties are assessed by county officials, privately-held public utilities are assessed by the BOE statewide. Unfortunately, unlike single-family residences, these properties are not subject to Proposition 13 protections and are reappraised annually at their market value.

A “unitary value” includes improvements, personal property, and land. A unitary valuation applies to properties owned or used by utility companies and considered necessary to their operation.

The BOE is statutorily required to determine the fair market value as of January 1 by considering market conditions, use of the property, income generated by the property, replacement costs, investments in the property, regulatory climate, depreciation, and other factors.

The values set by the BOE are used by county governments to levy local property taxes, which help support county governments, cities, special districts and schools. Penalties are assessed for late or incomplete filings or failure to file with the BOE.

Elected to the Board of Equalization in 2006, Michelle Steel serves as the country’s highest ranking Korean-American elected official. She represents the over 8.5 million taxpayers of the Third Board of Equalization District, including the counties of Los Angeles, Orange, San Diego, Riverside, Imperial and San Bernardino.

The five-member Board of Equalization is a publicly elected tax board. The Board collects nearly \$53 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and plays a significant role in the assessment and administration of property taxes.

Unitary Values established May 31, 2007

Related links:

- [State-Assessed Property Program](#)
- [Unitary Values established last year on May 17, 2006](#)

###